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**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

**JUL - 2 1993**

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**In the Matter of**

**Implementation of Sections of  
the Cable Television Consumer  
Protection and Competition Act  
of 1992**

**Rate Regulation**

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**MM Docket No. 92-266**

**PETITION IN SUPPORT OF PETITION FOR CLARIFICATION**

**Cablevision Industries Corporation  
Comcast Cable Communications  
Cox Cable Communications,  
a division of Cox Communications, Inc.**

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**July 2, 1993**

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**PETITION IN SUPPORT OF PETITION FOR CLARIFICATION**

Cablevision Industries Corporation, Comcast Cable Communications, Inc., and Cox Cable Communications, a division of Cox Communications, Inc. (the "Joint Parties), hereby file a petition in support of the Petition for Clarification of the Commission's June 15 Order<sup>1/</sup> (the "Petition") filed by Continental Cablevision, Inc. ("Continental") on June 22, 1993. The Joint Parties concur that franchise provisions requiring advance notification of rate changes should be preempted.

Continental noted in particular the importance of preempting those provisions requiring more than 30 days notice. The Joint Parties, too, are confronted with substantial similar provisions, including those requiring 60 and 90 day pre-notifications which pose immediate problems. Those requirements are clearly troublesome because, as discussed below, many operators who must comply with 60-day pre-notification provisions will be in violation of their franchises if notification of changes in rates is not commenced early this month. But 30-day notification

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<sup>1/</sup> Implementation of Sections of the Cable Television Consumer Protection and Competition Act - Rate Regulation. Order. MM Dkt. No. 92-266. FCC 93-304

requirements are also a problem, and the Commission should consider preemption of even 30 day provisions.

Implementation of the Commission's new rate regulations is complicated and difficult. The stay of the effective date of the rules from June 21 to October 1 was very helpful and necessary. It is important that operators too, be given the opportunity to utilize that time fully. The Joint Parties are aware of the importance of providing adequate notice to subscribers; such notice is an important part of good customer service. It is also important to ensure that subscribers are not unduly confused. The Commission still must clarify many unsolved rate issues and provide the industry with cost-of-service standards. It will not serve cable subscribers well or be conducive of good subscriber relations if operators find it necessary to send corrected bills or further adjust rates in response to clarifications or changes in the Commission's regulations. Accordingly, the Joint Parties submit that the Commission should suspend the notice requirement until September 30, 1993 to give operators ample time to establish their benchmark rates or prepare cost-of-service showings.

In its June 15 Order staying the effective date of the rate regulations until October 1, 1993, the Commission indicated that operators and franchising authorities required additional time to prepare for the implementation of the new rate regulations.<sup>2/</sup> The Commission recognized that the combination of subscriber notice requirements, the difficulties involved in rate schedule preparation, and the

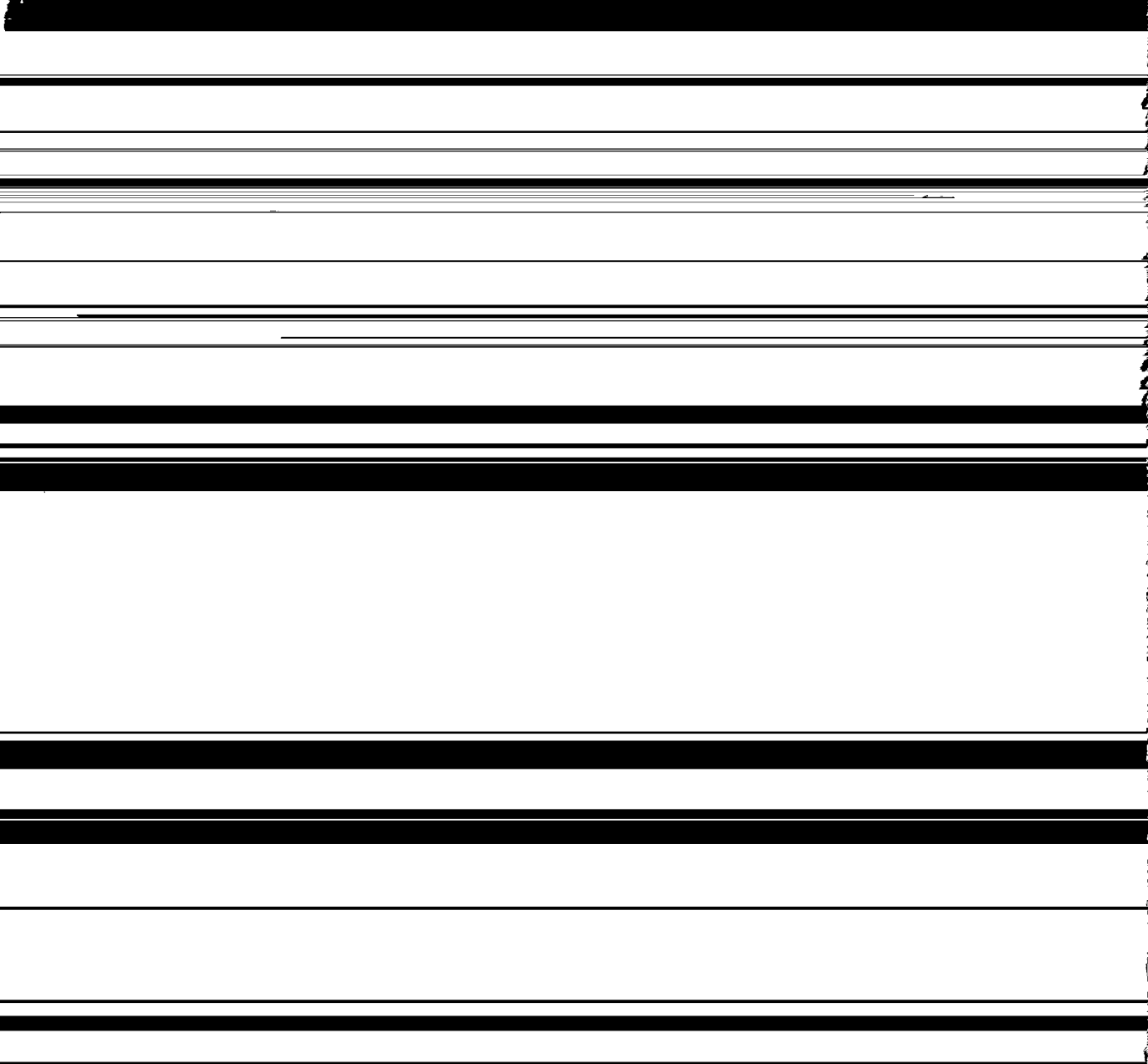
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<sup>2/</sup> July 15 Order at ¶ 3.

complexity of the new rules imposed substantial burdens on operators.<sup>3/</sup> The Commission was quite right. In addition, moreover, the complexity of the new rules has fostered considerable confusion. Numerous questions posed to FCC staff remain unanswered. Additional issues have been raised recently in the context of petitions for reconsideration. And still absent are the yet to be announced proposed rules on cost-of-service. Operators cannot engage in rational decision-making in the midst of this void. An operator intending to upgrade facilities in January, for example, cannot determine how to best proceed in October absent clear direction. Nor is the operator informed as to how to handle external costs, including tax increases or above

regulatory provisions that have been announced since October 1974.

notice may prove problematic.<sup>4/</sup> Rate decisions would generally need to be completed by mid-August, and earlier for those systems using cycle billing. For cycle billed systems with franchises that require 60-days prior notice, rate decisions will need to be completed immediately. This presents an unreasonable administrative and logistical problem for the Joint Parties. For example, Comcast Cable Communications, Inc. has fifteen separate billing cycles which means that in order for billing to reflect revised rates, new bills would have to be mailed out the beginning of



In addition to establishing a uniform minimum 30 day notice requirement, as Continental has requested, the Commission should further clarify that with regard to rate changes as of the effective date of the rate regulations, operators need only notify subscribers of rate changes as of September 30, 1993, rather than 30 days or more before changes take effect. Such notification could be accomplished via newspaper advertisements or bulletins on their cable systems.<sup>5/</sup> This would relieve operators of the almost impossible task of completing rate schedules and organizing billing systems to timely notify subscribers of rate changes.

Failure to preempt notice requirements until October 1, 1993 would impose substantial administrative burdens. Whether it grants the Joint Parties' request to permit notifications as of September 30, 1993 in contemplation of the effective date of the rate regulations, or it decides nonetheless that all but 30 day notice requirements are to be preempted, the Commission should clarify that informal public notice "by any practicable means, such as newspaper advertisements or bulletins on the cable system,"<sup>6/</sup> rather than requiring notice in subscriber bills, would be sufficient notice. As the Commission recognized in its May 14 Order, "[the Commission] is aware that systems operate with lead times of 30 to 60 days for the production of subscriber bills and other notifications."<sup>7/</sup> It is essential to give operators maximum flexibility in properly conforming to the new rate regulations.

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5/ May 14 Order at ¶ 5.

6/ Id.

7/ Id.

Failure to afford operators this additional time runs counter to what the Commission is attempting to do in staying the effective date of all rate regulations.

Conclusion

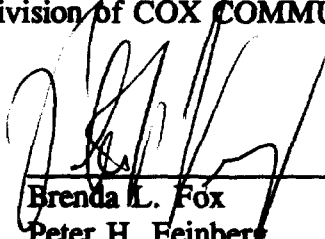
For these reasons, the Commission should (1) preempt all franchise provisions that require prior notice of rate changes in contemplation of the October 1, 1993 effective date of the Commission's regulations, and (2) permit operators to informally notify subscribers of initial rate changes by September 30, 1993.

Respectfully submitted,

CABLEVISION INDUSTRIES CORPORATION  
COMCAST CABLE COMMUNICATIONS,  
INC.

COX CABLE COMMUNICATIONS,  
a division of COX COMMUNICATIONS, INC.

By:

  
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July 2, 1993

**CERTIFICATE OF SERVICE**

I do hereby certify that copies of the foregoing were sent via first class United States mail, postage prepaid, this 2nd day of July, 1993, to the following:

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